

Housing Chapter Task Force

Saint Paul Comprehensive Plan 2008

6th meeting

April 18, 2007

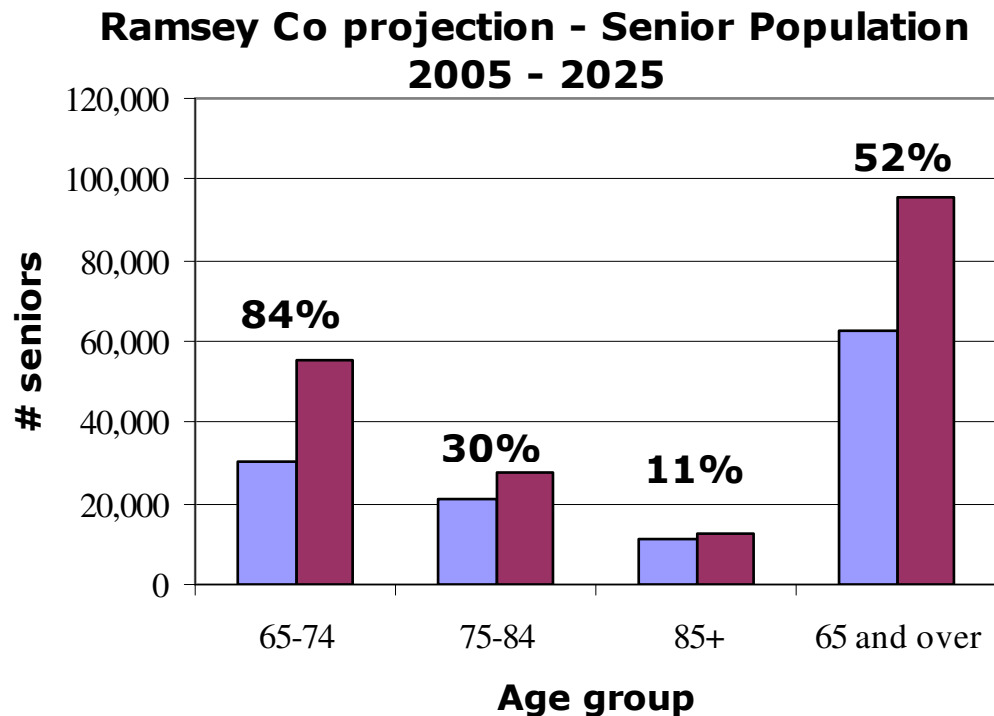
Agenda

- Introductions - Sue McCall, acting chair
- **Panel:** Senior & Special Needs Housing
 - Allen Black, Presbyterian Homes
 - Margaret Christenson, Lifease
 - Maureen Warren, Wilder
 - Dave Haley, Ramsey County Human Services
- Update on the Emerging Markets Homeownership Initiative
 - Shawn Huckleby, EMHI chair
 - Discussion on Emerging Markets in St. Paul
- Next Steps and Survey

Senior & Special Needs Housing Panel

- Allen Black, Presbyterian Homes
- Margaret Christenson, Lifease
- Maureen Warren, Wilder
- Dave Haley, Ramsey County Human Services

Some “statistics” to consider



Senior housing =
housing with services
marketed as “senior-
only.”

Source: “Building Toward the
Senior Boom: Twin Cities Area
Seniors and their Housing Needs,
from now until 2030” (8/1999)
Wilder Research Center for East
Metro Seniors Agenda for
Independent Living

- 2004 52,000 residents in Ramsey Co lived in poverty (11% of population)
- 2005: 4,543 individuals used emergency shelter in Ramsey Co
 - 3,907 adults
 - 636 children
- 920 units of supportive housing to be produced by 2010

Emerging Markets Homeownership Initiative

Update from Shawn Huckleby

- Summit update
- How is St. Paul doing on moving Emerging Market households into homeownership, given the statistics?
 - African-American/African: 15% of population
 - Asian: 14% of population
 - Latino/Hispanic: 9% of population
 - American Indian: 2% of population
- What can the City do to help accomplish EMHI's goals?

American Community Survey

- In full release in 2005
- \$180 million a year nationally
 - Equivalent to \$1.60 per U.S. household
- 55,645 interviews in Minnesota:
 - Occupied and vacant housing units that were interviewed by mail, telephone, or personal visit methods between January 1 - December 31.

Defining “emerging markets”

- Includes all Hispanic / Latino
- Black / African American
- American Indian / Alaska Native
- Asian
- Native Hawaiian or Pacific Islander
- Some other race

→ NOTE: Please answer BOTH Questions 7 and 8.

7. Is Person 1 Spanish/Hispanic/Latino? Mark ☒ the "No" box if not Spanish/Hispanic/Latino.

☐ No, not Spanish/Hispanic/Latino ☐ Yes, Puerto Rican
☐ Yes, Mexican, Mexican Am., Chicano ☐ Yes, Cuban
☐ Yes, other Spanish/Hispanic/Latino — Print group.

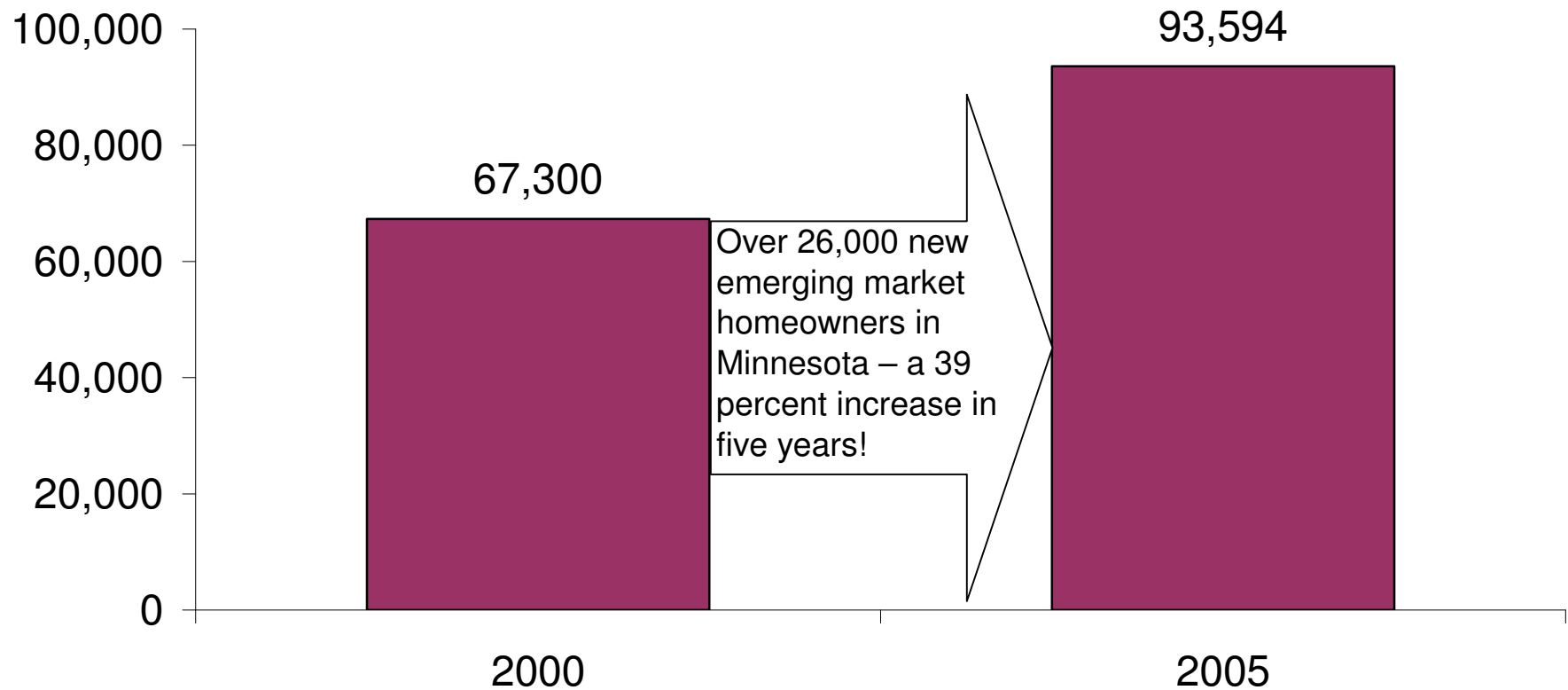
8. What is Person 1's race? Mark ☒ one or more races to indicate what this person considers himself/herself to be.

☐ White
☐ Black, African Am., or Negro
☐ American Indian or Alaska Native — Print name of enrolled or principal tribe.

☐ Asian Indian ☐ Japanese ☐ Native Hawaiian
☐ Chinese ☐ Korean ☐ Guamanian or Chamorro
☐ Filipino ☐ Vietnamese ☐ Samoan
☐ Other Asian — Print race. ☐ Other Pacific Islander — Print race.

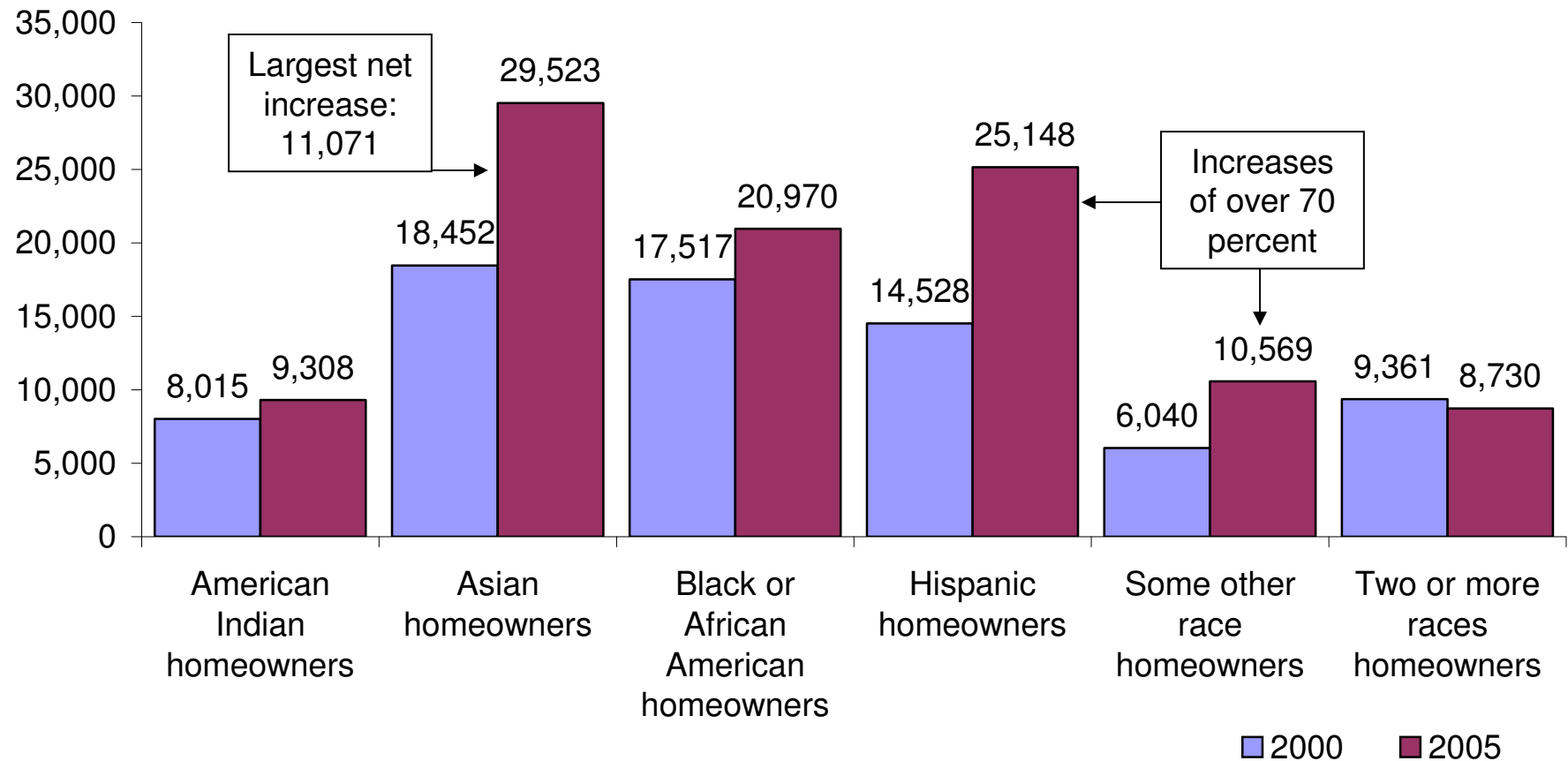
☐ Some other race — Print race.

Emerging market homeowners



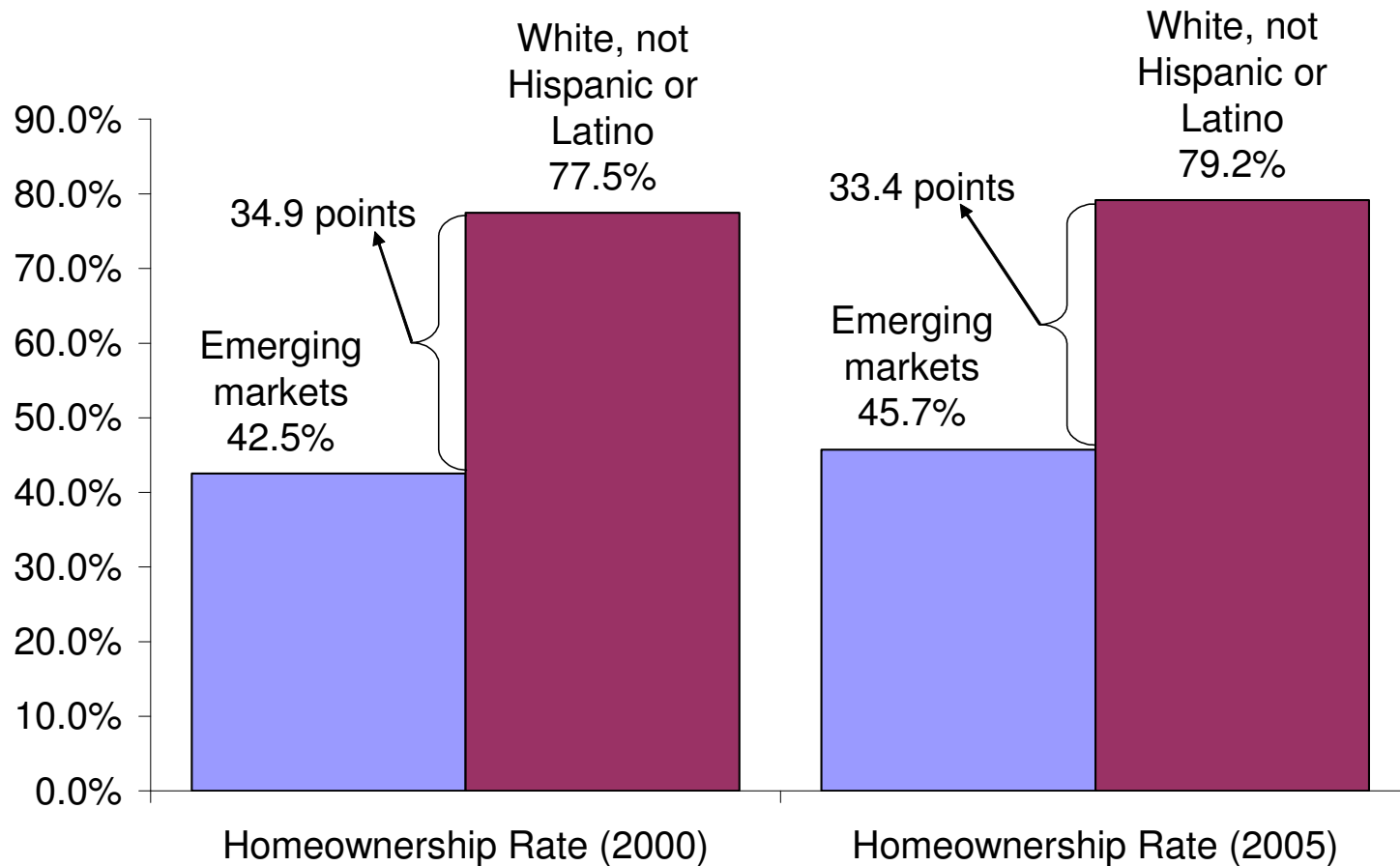
Source: U.S. Census Bureau, Decennial Census and American Community Survey

More homeowners in 2005

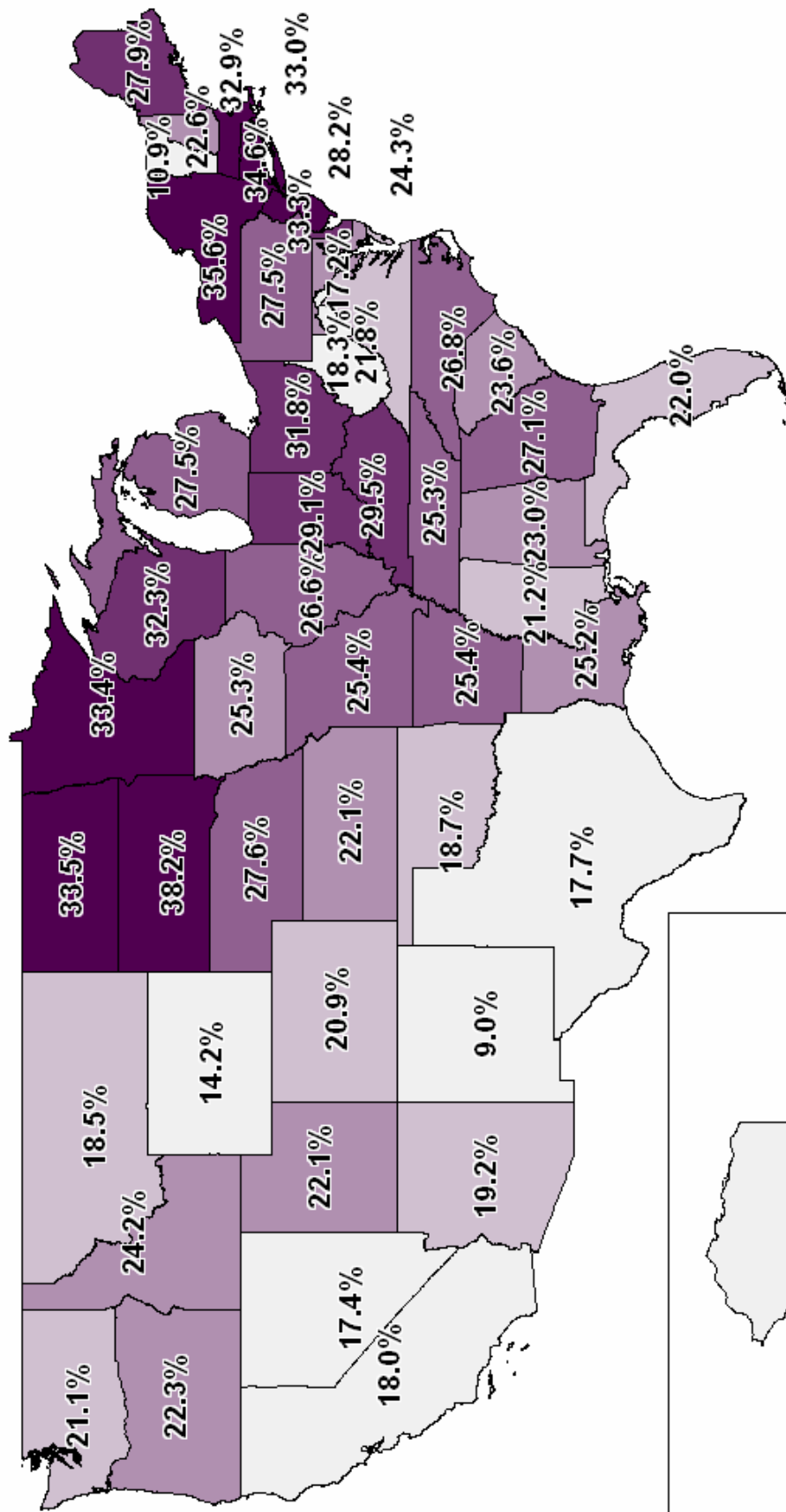


Source: U.S. Census Bureau, Decennial Census and American Community Survey

Declining gap in homeownership rates



Source: U.S. Census Bureau, American Community Survey, 2005.



Gap between white and emerging market homeownership rates
American Community Survey, 2005

- 0.323 to 0.383 (8)
- 0.276 to 0.323 (6)
- 0.253 to 0.276 (9)
- 0.221 to 0.253 (10)
- 0.183 to 0.221 (8)
- 0.057 to 0.183 (10)

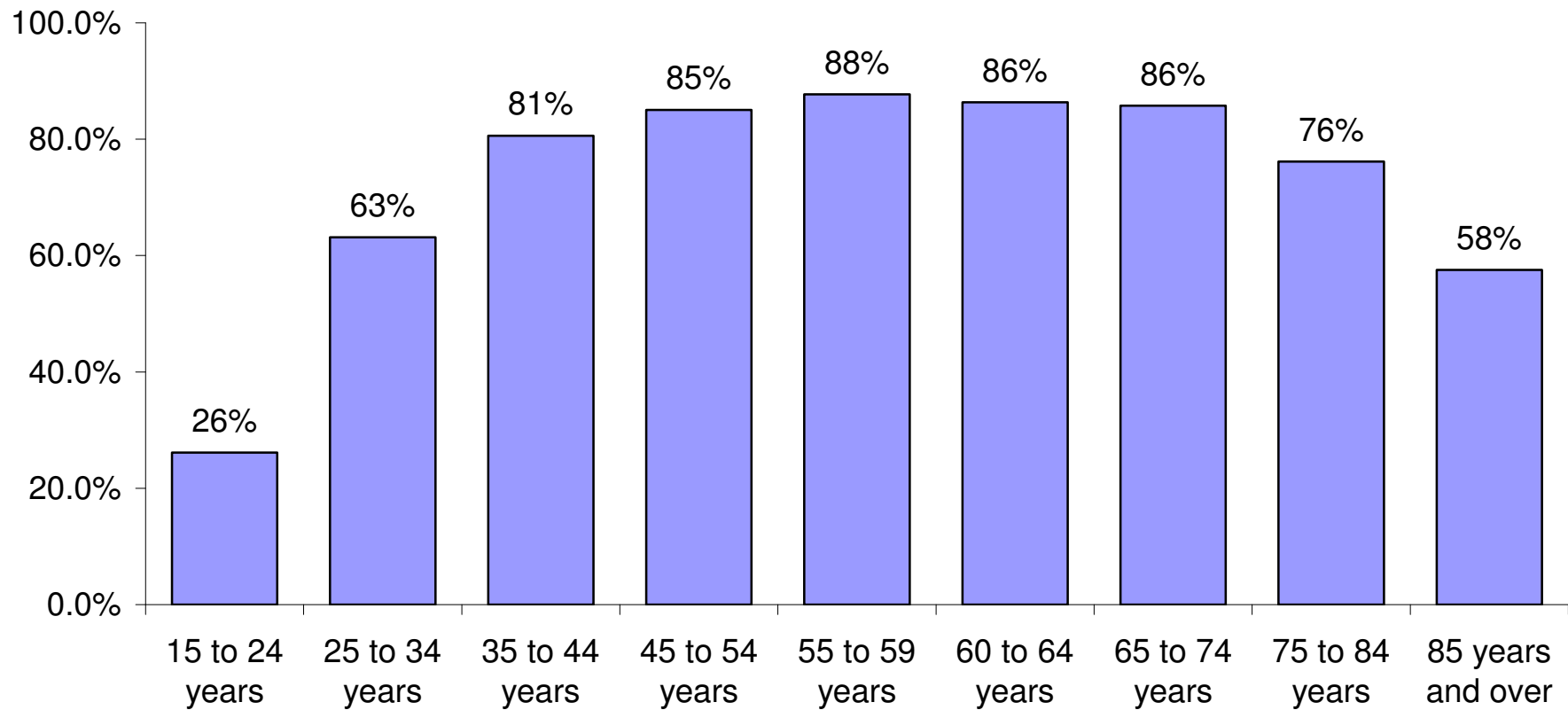
Deconstructing the homeownership gap

Factors influencing homeownership:

- **Age:** People tend to start buying their homes in their late 20s
- **Income:** Homeownership requires a stable of household income of a certain level
- **Family structure:** Married couples are likely to transition to homeownership
- **Employment opportunities:** A local job market has to provide the stable jobs that enable homeownership.
- **Overall housing market:** Lower interest rates or alternative financial structures can enable increased homeownership.

Effects of the age structure on homeownership by race

Homeownership increases with age



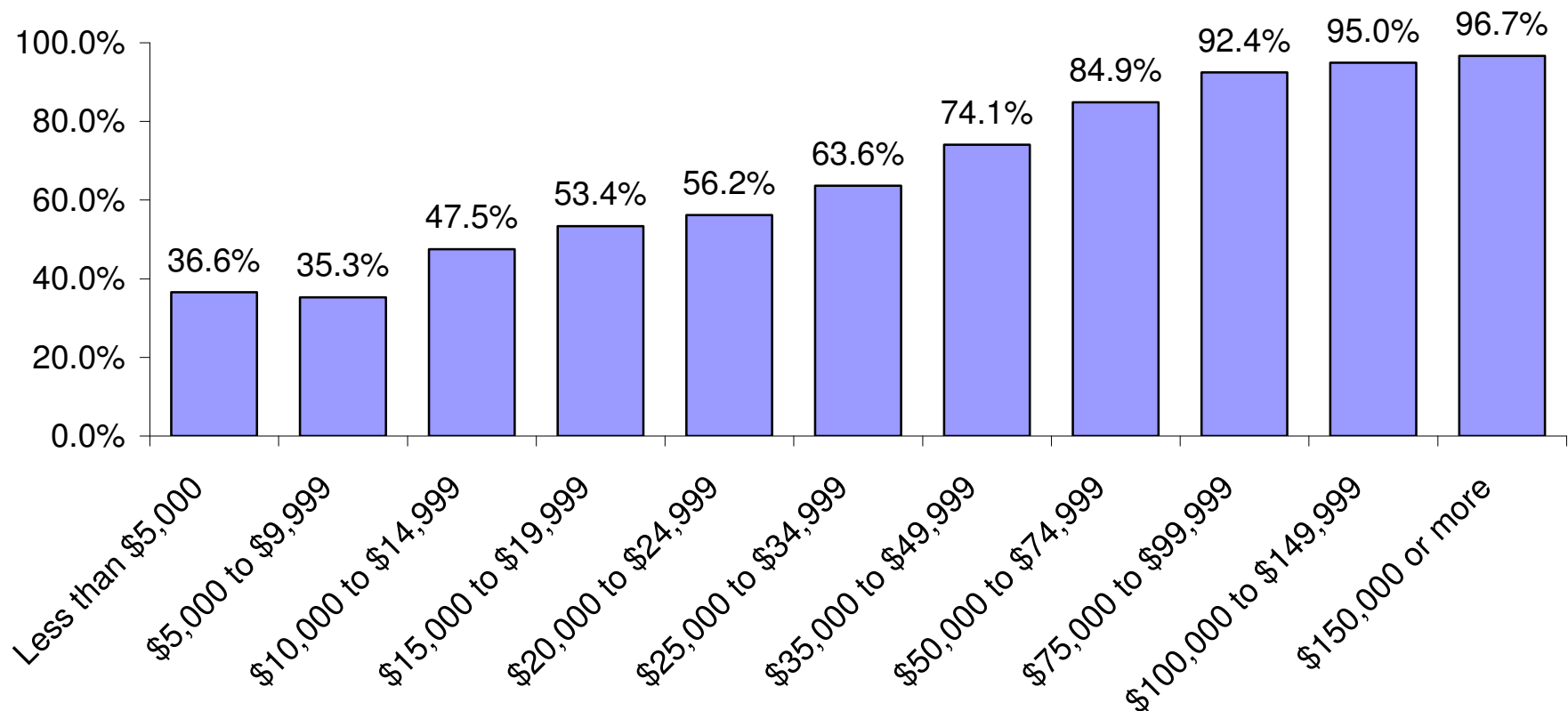
Source: U.S. Census Bureau, American Community Survey.

Age and the homeownership gap

- Emerging market households tend to be younger than white-headed households
- Younger households people are less likely to be homeowners than older households
- Correcting for the age structure alone would reduce the 2000 homeownership gap between whites and emerging markets from 34 points to 28 points.

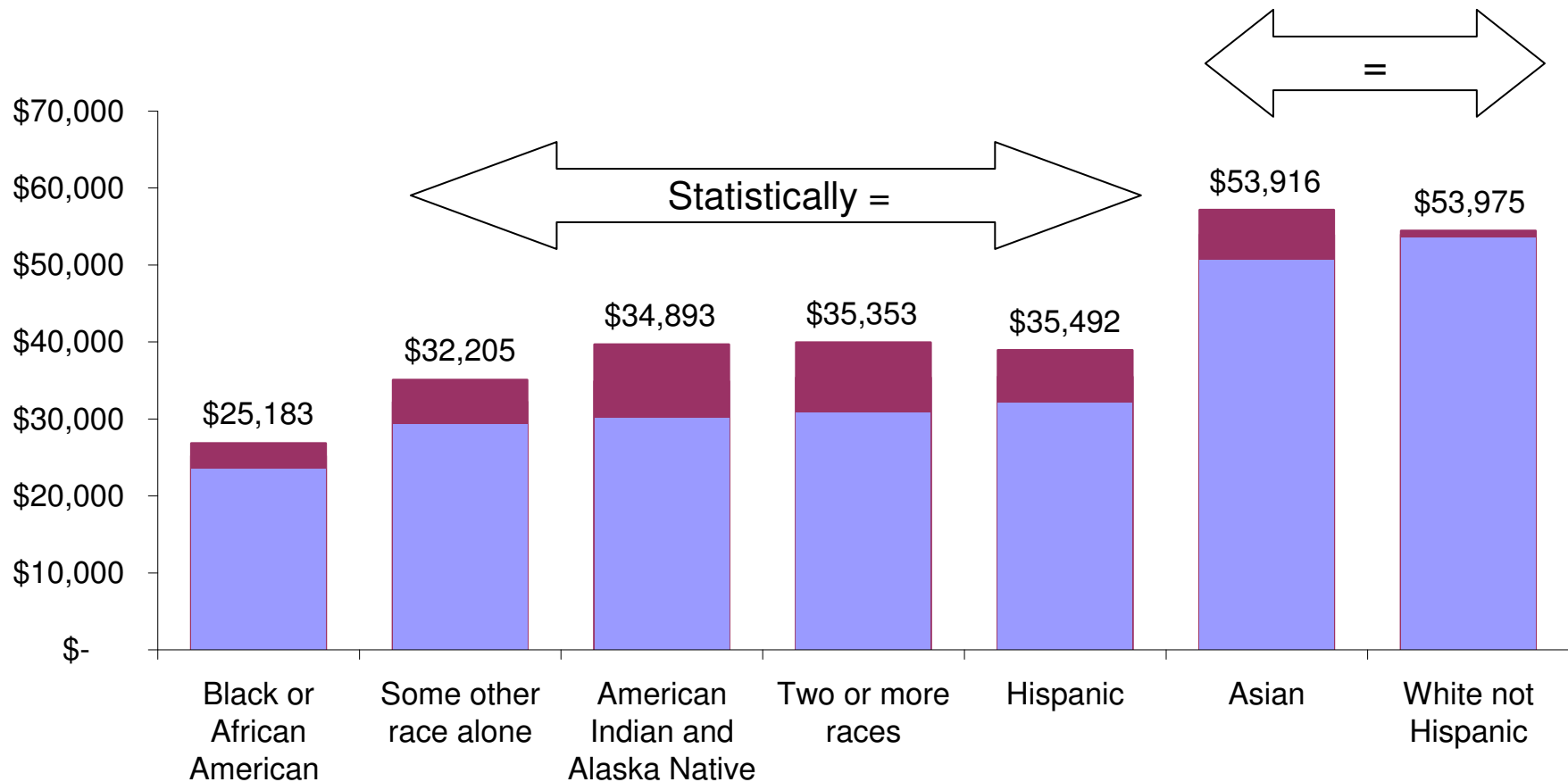
Effects of income distribution on homeownership by race

Homeownership rises with income



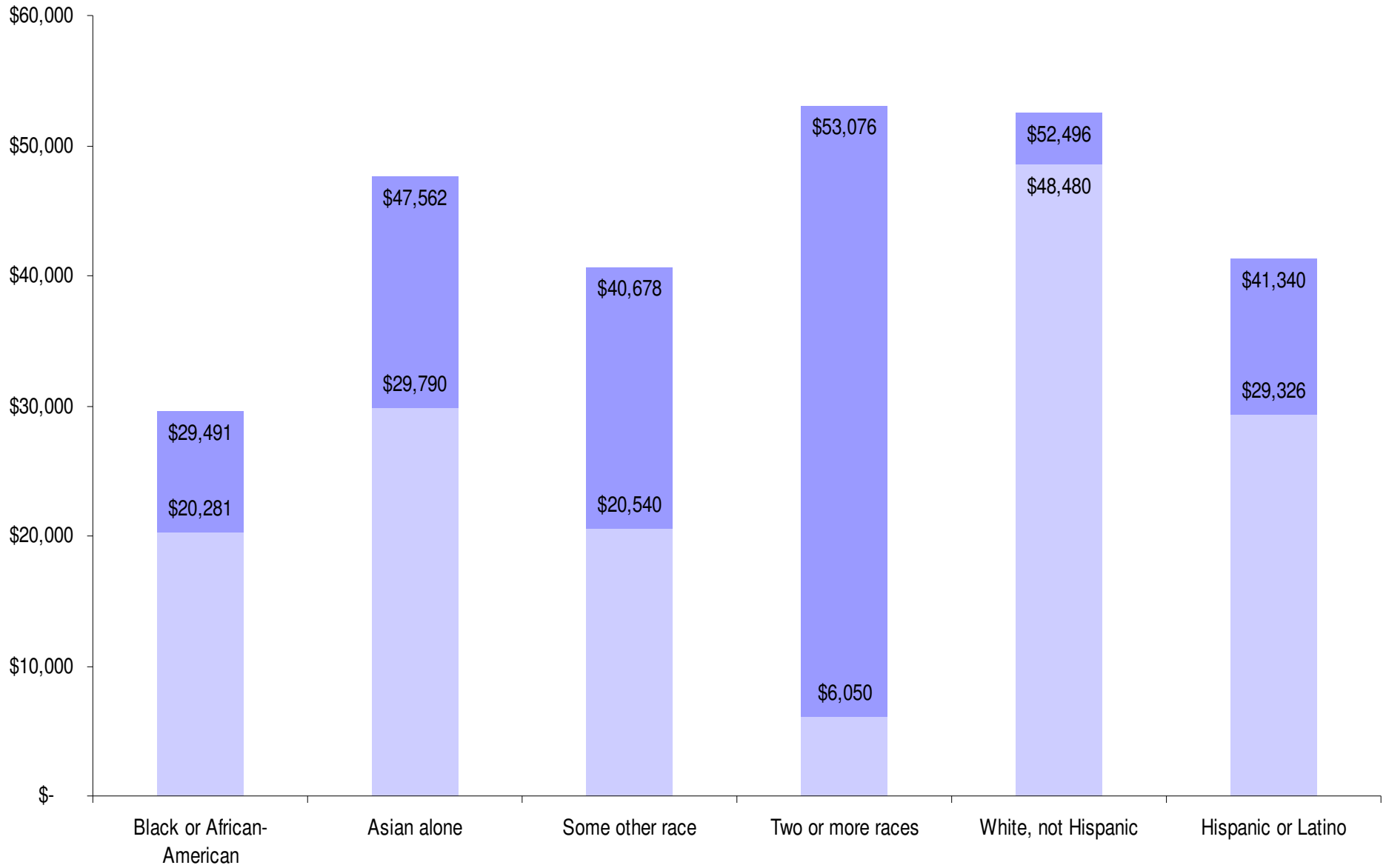
Source: U.S. Census Bureau, American Community Survey, 2005.

Disparities in median household income



Source: U.S. Census Bureau, American Community Survey, 2005. Red shading indicates the margin of error.

90% Confidence Intervals for Median Household Income, City of St. Paul, 2005



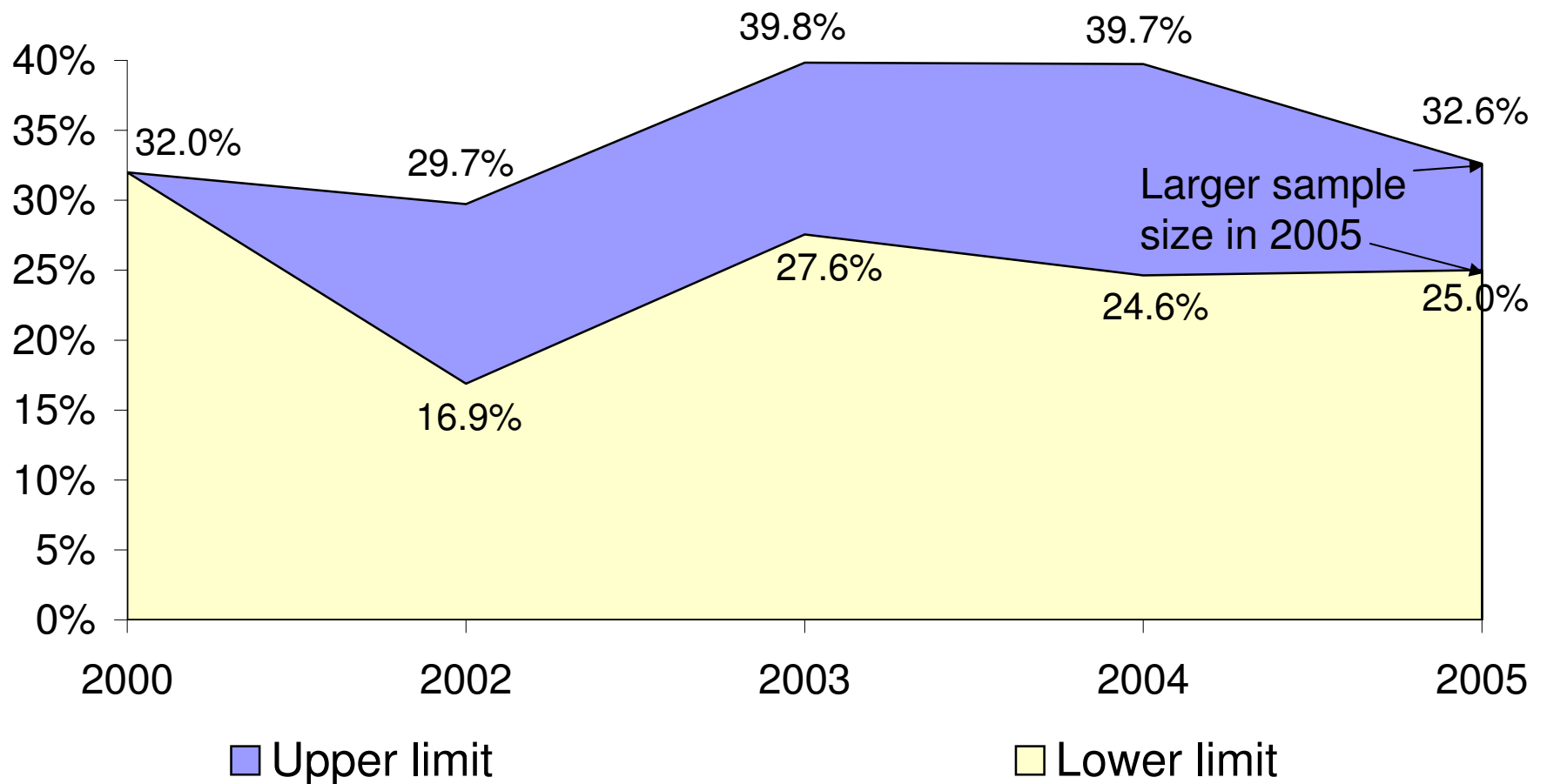
Source: American Community Survey, U.S. Census Bureau, 2005

The Joint Center for Housing Studies at Harvard University estimates that,

“...the lower average incomes and ages of minorities together account for about 15 percentage points of the gap in the homeownership rates.”

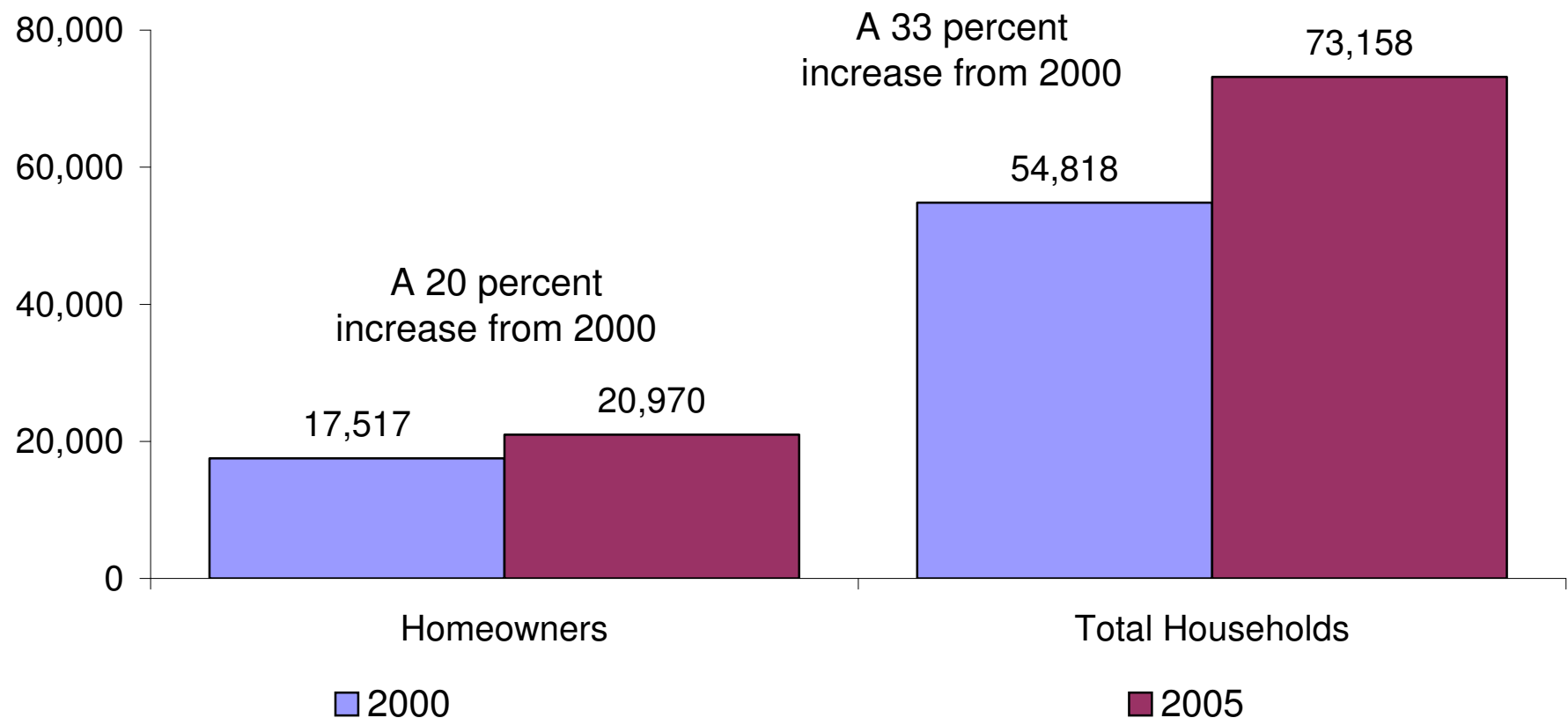
--The State of the Nation's Housing 2006

Black / African-American Homeownership



Source: U.S. Census Bureau, Decennial Census and American Community Survey

Increase in African American households masked increase in African-American homeowners



Source: U.S. Census Bureau, Decennial Census and American Community Survey

**Once a homeowner,
always a homeowner.**

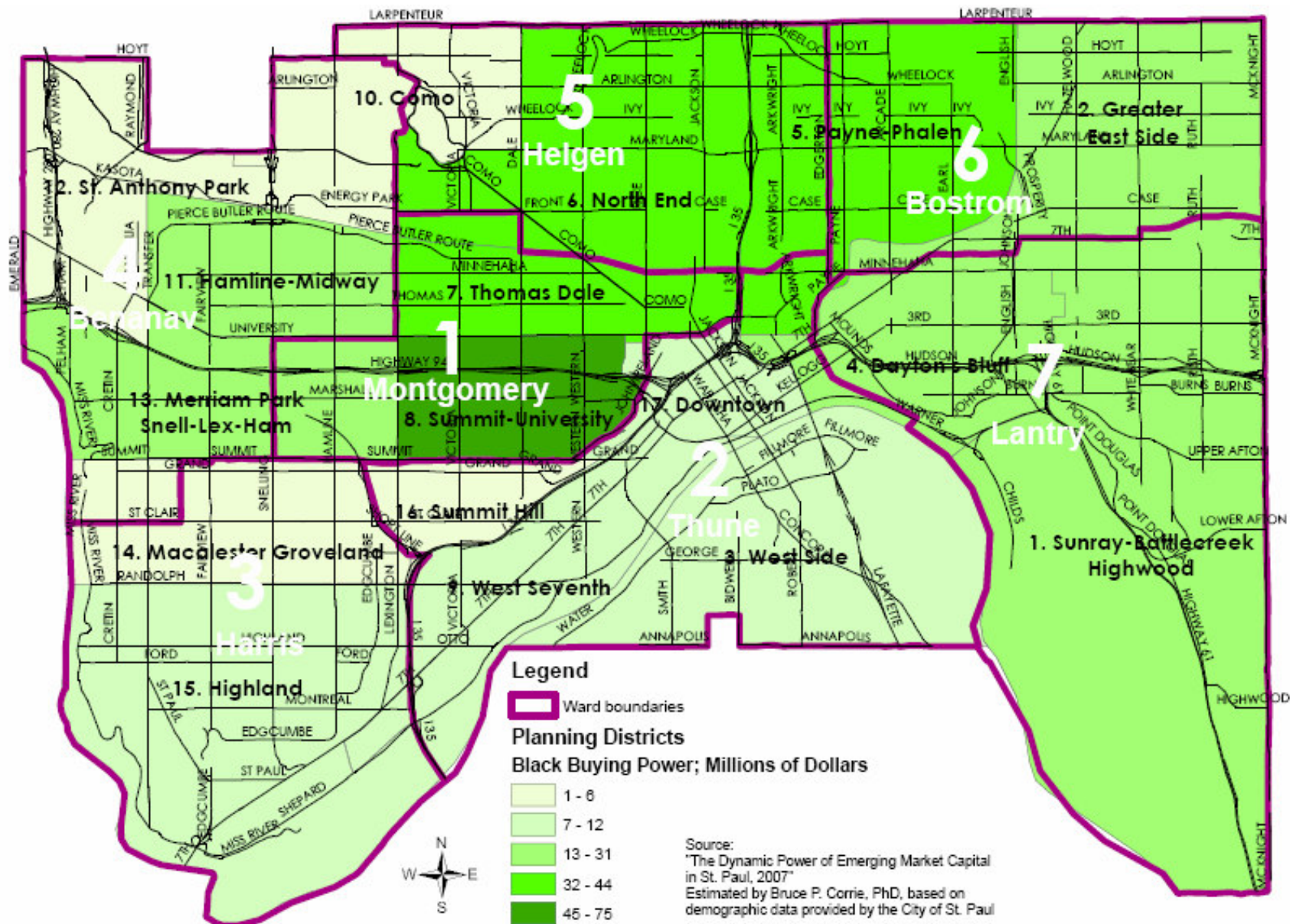
MYTH!

Shorter spells of homeownership

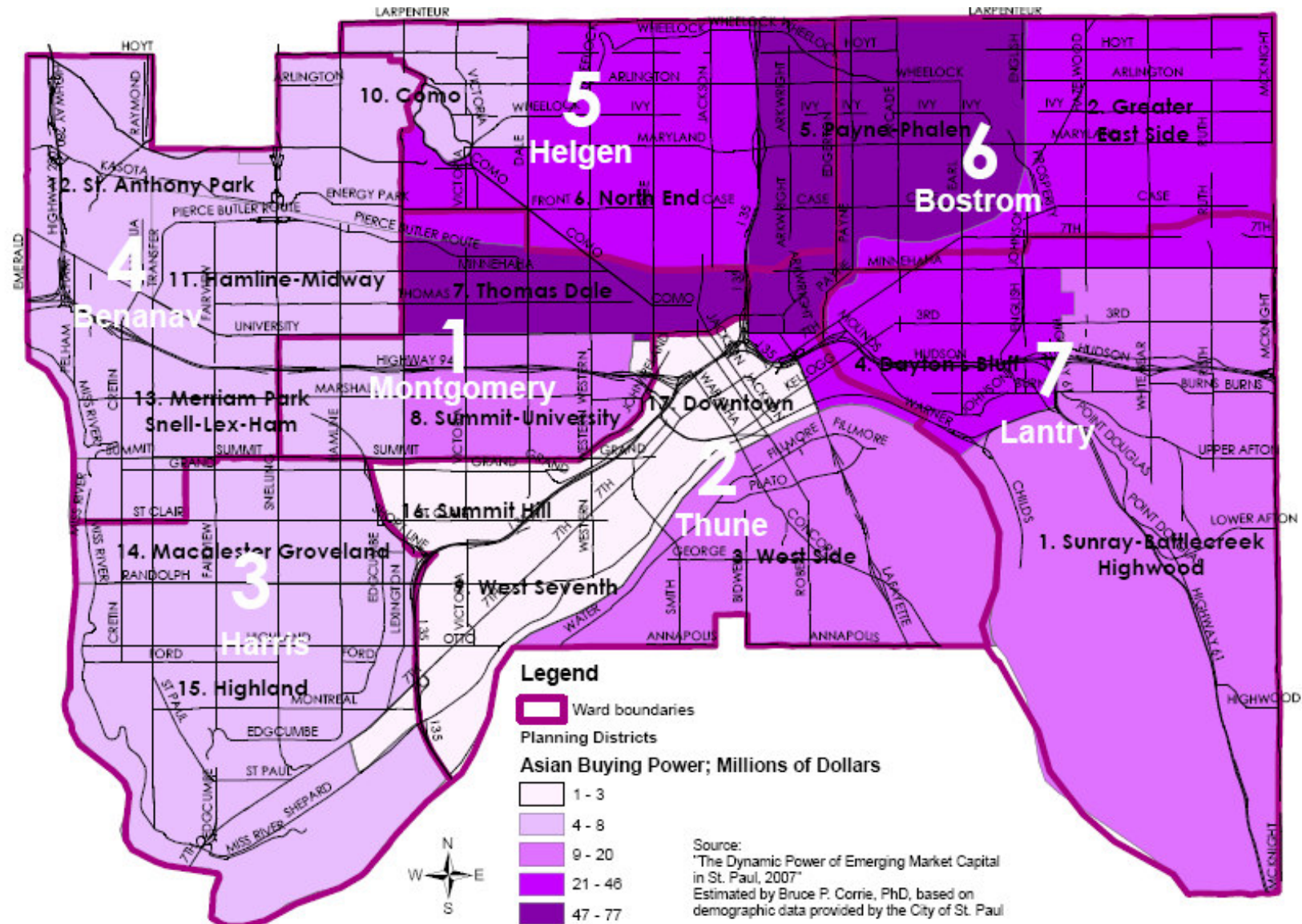
- In a 15-year longitudinal study:
 - Over 40 percent of low-income minority homebuyers were no longer owners after two years.
 - Less than 30 percent of low-income non-Hispanic white households were no longer owners after two years.

Source: Reid, Carolina Katz (2004), *Achieving the American Dream? A Longitudinal Analysis of the Homeownership Experiences of Low-Income Households*. University of Washington, Center for Studies in Demography and Ecology, Working Paper 04-04 (April).

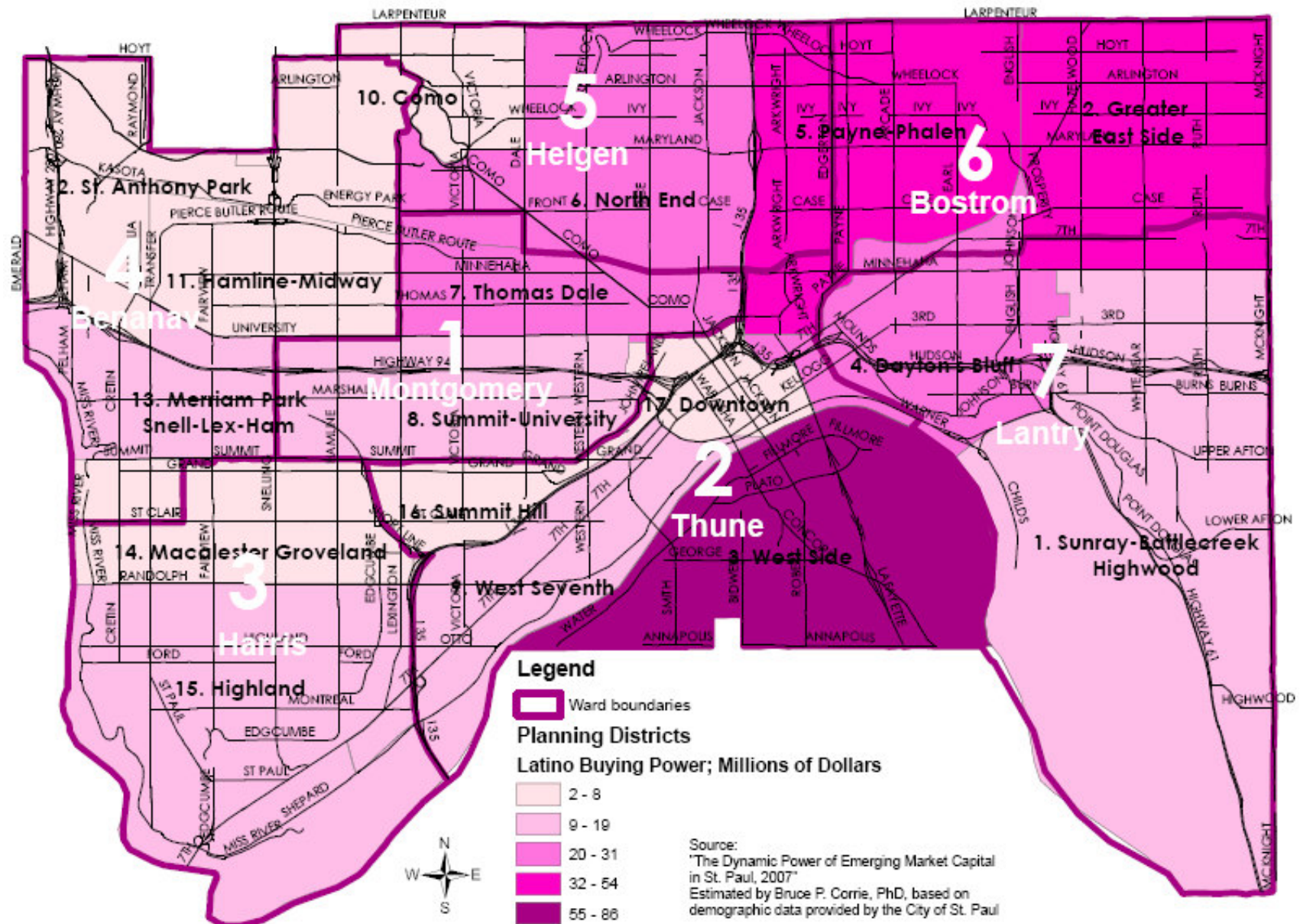
African-American / African Buying Power



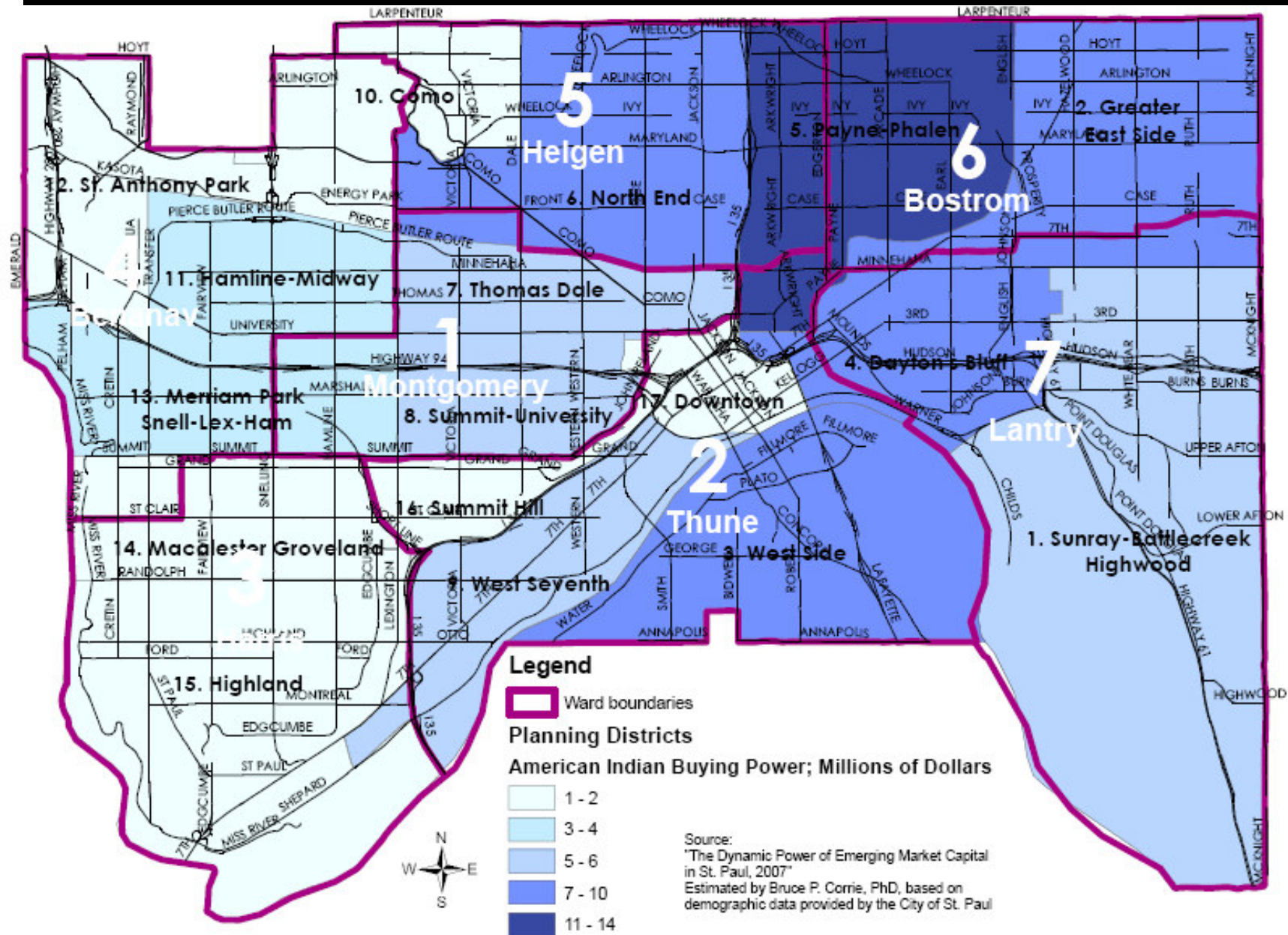
Asian Buying Power



Latino Buying Power



American Indian Buying Power



Next Steps

- Meeting topics schedule:
 - **May 16:** Building Design & Sustainability
 - **June:** Housing Finance (1 or 2 meetings – 6/6, 6/20, 6/27)
 - **July-September:** Staff drafts plan
 - Other events:
 - Exhibit: “Building Ties: Culturally Sensitive Housing Designs for the Hmong and Ojibwe People.” February 4-June 3, 2007; Hennepin History Museum
 - May 16-17th: “Green By Design” Conference, Minneapolis
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Questions? Comments?



Affordability/Demographics Survey

Please complete the affordability/
demographics survey and return it to staff.

Thank you!